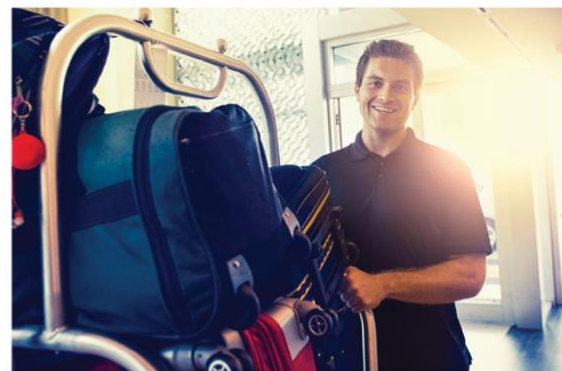




TOURISM & HOSPITALITY WORKFORCE



Global Best Practices in Community Engagement

Section 3 of 6



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Acknowledgement and Thanks

Thank you to our Knowledge and Destination Partners for their invaluable involvement in the Time for DMOCRACY, North America Edition.

Destination Partners in Time for DMOCRACY (North America)

Thank you to our North America Destination Partners who supported, contributed to and collaborated in this important global research study:



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Program, Agency and Association Partners in Time for DMOCRACY (North America)



For a full list of the partners & supporters of Time for DMOCRACY see each section of the report, the European edition and TimeforDMOCRACY.com

Introduction

Early in our consultation, we highlighted workforce and staffing as a priority in the tourism sector due to its strong impact on community. Workforce and staffing, an ongoing issue in tourism and hospitality, has been made considerably worse by the COVID-19 pandemic. The workforce challenge is now structural, and improvement will involve a range of actions by multiple private and public organizations—including the destination management organizations (DMOs).



At a Glance

WHAT TO KNOW

- An estimated 5% of all tourism and hospitality jobs across North America remain vacant as of late 2022.
- Staff shortages in tourism have long-term causes, and shortages were worsened during the COVID-19 pandemic.
- Solving structural issues in workforce and staffing will require sustained effort from both the private and public sector.
- Tourism and hospitality need to address a range of challenges, including high staff turnover, increased competition from other industries and the adverse perceptions in many communities—often as a low wage industry with demands for seasonal and shift work.
- Tourism and hospitality have developed a heavy reliance on foreign workers in many destinations. While their return offers a critical solution for short-term staffing, the industry needs to build a stronger, community-based source of employees in the long term.
- In our survey of DMOs, 14% indicated some active involvement in addressing workforce issues. For example, an increasing number of destinations are investing in or supporting workforce initiatives, including promoting job opportunities and/or collaborating with partners to train and educate current or potential workers.

WHAT TO DO

Time for DMOCRacy identifies nine practical recommendations for how DMOs can address immediate staffing shortages in tourism and hospitality and build stronger community participation in its work and career opportunities:

1. **Monitor, research and understand** workforce and staffing issues in your industry and community.
2. **Engage with high schools and tertiary institutions** to develop educational opportunities in the tourism and hospitality industry.
3. **Promote and support recruitment efforts**, including marketing job vacancies and hosting job fairs.
4. **Be an advocate** for the tourism and hospitality industry. Work with partners to promote career benefits and opportunities.
5. **Invest in high-value tourism** that is operational year-round and resilient.
6. Help **build high-quality** tourism careers
7. Support **competitive wages, working conditions and advancement opportunities**.
8. Facilitate **affordable and accessible housing and childcare** for workers.
9. **Strengthen the coordination between public and private organizations** to make long-term investments in the workforce.

RESOURCES

We highlight and share a range of critical research, case study examples and other resources to inform your action. See Page 19.

What To Know

CRITICAL LEARNINGS AND INSIGHTS

a. Staff Shortages

The economy is suffering from a workforce crisis with 10.7 million job openings in the U.S. and just 5.9 million unemployed Americans as of late 2022 (i). In Canada the unemployment to job vacancy ratio is at a historic low (ii). This is the result of both immediate and long-term factors. With an aging population, the working age population across many North American and European destinations is in decline (iii). An estimated 5% of all tourism and hospitality jobs across North America remain vacant as of late 2022—with companies unable to find workers (iv). Making the issue worse, and highlighting broader, ongoing challenges in the sector, the quit rate in tourism and hospitality has persistently been almost double the rate compared to the wider economy (v).

QUIT RATES IN THE LEISURE & HOSPITALITY INDUSTRY VS. TOTAL PRIVATE SECTOR

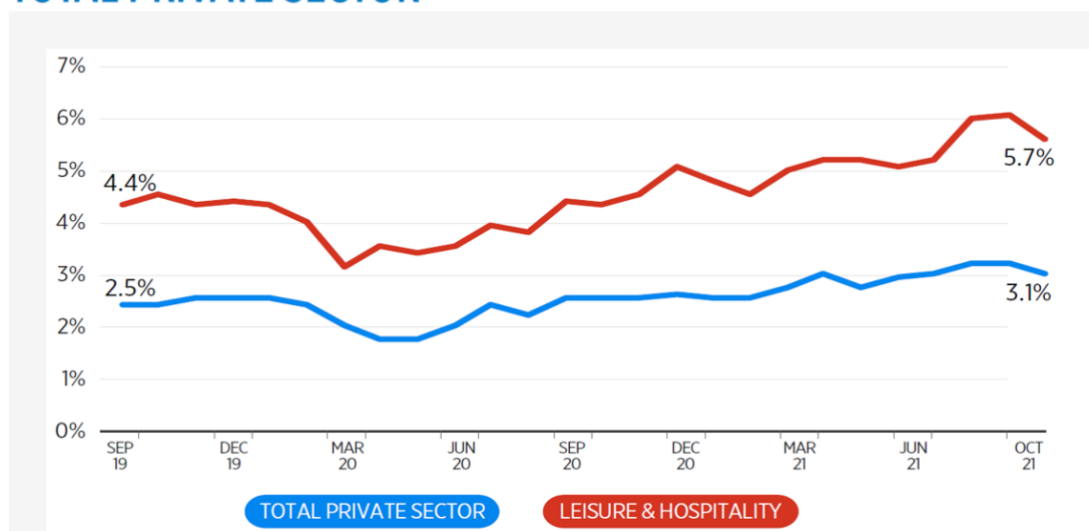


Figure 1 Retaining staff has been a persistent long-term challenge in tourism and hospitality.

b. Competition

With a static or shrinking workforce, tourism and hospitality is facing increased competition for jobs from other sectors. This is particularly true in industries with strong growth, including warehousing and distribution and healthcare. In the former, Amazon has been hiring at historically unprecedented levels. The company hired more than 1 million workers between 2016 and 2021— the fastest rate of any company in U.S. history (vi).

As The Wall Street Journal noted, “Amazon is emerging as a de facto wage-and-benefit setter for a large pool of low-skilled workers.” Amazon has raised the competition for lower wage, lower skilled jobs in tourism considerably.

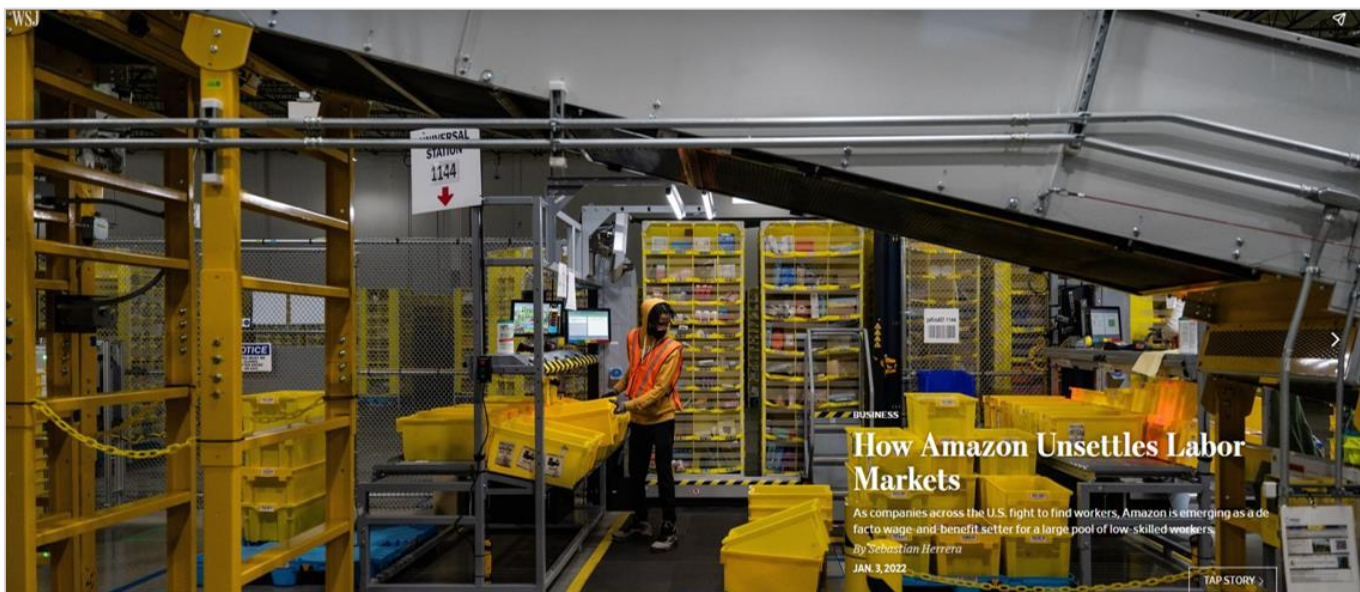


Figure 2 Growth areas of the economy such as Amazon's distribution business is greatly increasing competition for workers and/or their salary and benefit expectations



c. Shifting Worker Priorities

As the demand for staffing becomes more competitive, workers' expectations are also changing. In addition to wages, competition is based on priorities such as work-life balance, “meaningful work,” advancement opportunities and core benefits including healthcare. In a 2022 major study of U.S. workers, all these factors were rated between 8.2 and 8.7 on a 10-point scale—just below salary at 8.8 (vii). Offering jobs with competitive pay and broader benefits will be critical to the success of recruitment and retention efforts in tourism and hospitality.

Figure 3 World Travel and Tourism Council's 'Staff Shortages' report looks at workforce issues across the U.S. and Europe including a reliance on foreign workers.

d. Reliance of Foreign Workers

Long-term issues in attracting and retaining local workers have led the tourism sector in many destinations to rely heavily on overseas workers. In 2019 foreign-born workers constituted 16% of the tourism workforce in the United Kingdom (UK) and the European Union (EU) and nearly 20% in the U.S. (viii). In some destinations it is far higher. In communities trying to provide a local welcome and authentic sense of place, reliance on international workers is a challenge—and a vulnerability in the case of future interruptions to the flow of workers. While an important short-term solution to staff shortages, the sector needs to develop a long-term strategy to address the problem.

e. Impact of Covid-19

The COVID-19 pandemic has negatively impacted staffing shortages. An estimated 60 million tourism and hospitality jobs were lost worldwide during 2020 alone (ix). Around a third of tourism jobs in the U.S. and Canada disappeared, resulting in many of these workers moving to other sectors (x). The pandemic highlighted the uncertainty of tourism-related work and the attractive compensation and benefits found in other sectors. This added to the “image liability” issues faced by the industry (see below).

f. Destination Management Organizations’ Involvement in Workforce Issues

In our survey of DMOs, 14% indicated some active involvement in workforce issues (xi). To date this investment of time and resources has been in one or more of the five areas noted below.

In our survey of Destination Management Organizations, only 14% indicated some active involvement in workforce issues.

g. Visa Issues

COVID-19 closed borders and halted access to foreign workers almost completely. Since the pandemic, foreign workers have been slow to return with significant limitations or delays in visas. As a short-term answer to the urgent staffing problems, organizations like U.S. Travel Association and Tourism HR Canada are prioritizing improving the visa experience. The visa process is an important point of advocacy for every DMO and their political representatives.

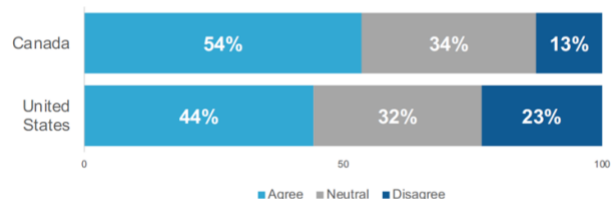
h. Tourism’s “Image Liability” in the Community

Tourism and hospitality are facing a long-term perception challenge in its local communities—the quality of jobs in the sector has created an “image liability.”

Research on resident’s perception of tourism across North America highlights this problem with only a minority of respondents in the U.S. and Canada disagreeing with the statement: “Most jobs in the tourism industry are low-paying and seasonal” (xii).

Tourism Employment

Most jobs in the tourism industry are low-paying and seasonal



This perception was worsened during the pandemic when the sector lost a

large number of jobs in a short amount of time. In many communities, tourism and hospitality is not seen as a particularly strong or positive sector for jobs or long-term careers.

Many in communities across North America see tourism jobs as “paying minimum wages,” “only available in the summer months” or “only offer part time employment or shift work” (xiii).

A growing number of destinations are addressing these “image liability” perceptions with communications and education programs in their local communities. This includes [Scotland](#), [Ireland](#) and [New Zealand’s Go with Tourism Program](#).

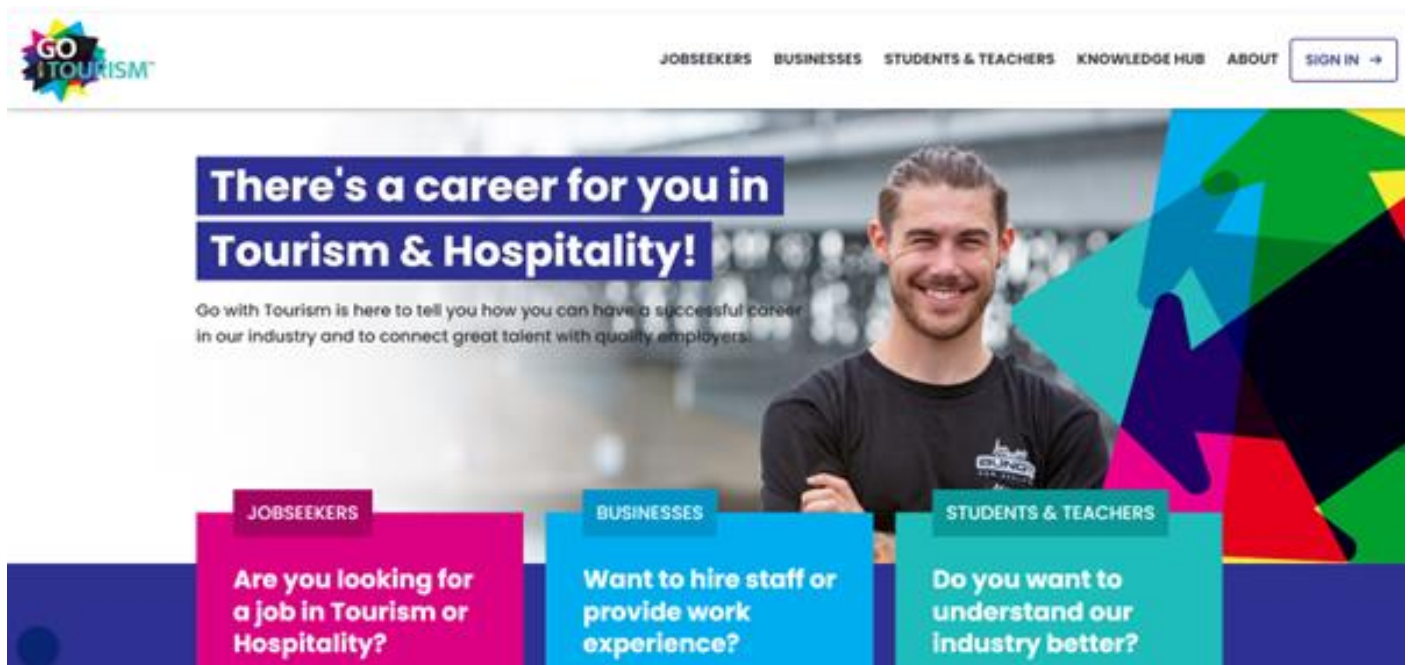


Figure 4 [Go with Tourism](#) is a New Zealand public-private sector program intended to highlight tourism as a career opportunity for New Zealanders and to connect jobs with job seekers.

i. Education Partnerships

The development of high-quality and extensive educational programs for tourism and hospitality are crucial to highlighting the industry opportunities in communities. An increasing number of DMOs are working with tourism industry partners to help develop and enhance educational opportunities. Examples include enlisting tourism industry speakers for courses, coordinating work opportunities or internships in the sector, and formally adding courses into curriculum development.

j. Recruitment & Retention

An increasing number of DMOs are also investing in or supporting recruitment initiatives, including promoting job openings and running career-related events such as job fairs. For example, the Greater Boston Convention & Visitors Bureau supported a town hall to consult on workforce issues and then [organised a job fair](#) – making targeted efforts to reach diverse communities across Boston.

In Kentucky, DMOs are supporting innovative private sector efforts such as [DV8 Kitchen's second-chance employment opportunities and employment workshops](#) aimed at workers recovering from substance abuse.

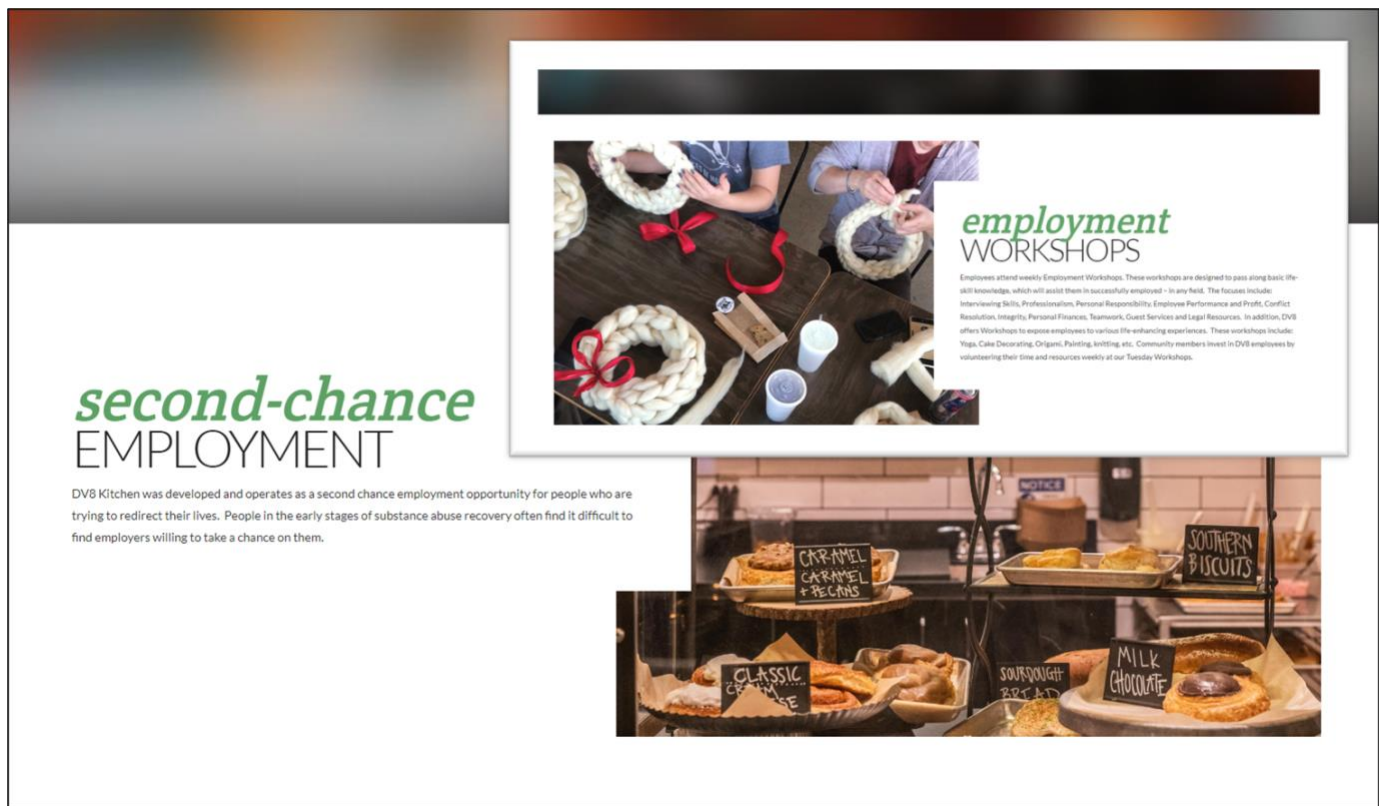


Figure 5 [DV8 Kitchen in Lexington, Kentucky](#) is an innovative hospitality business that reaches out to workers looking to redirect their lives after facing challenges such as substance abuse.

k. Housing and Childcare

In many destinations, both housing and child care availability and affordability are a major impediment to recruiting and retaining staff. This challenge has become far worse in many communities as a result of climbing housing costs and the growing number of dwellings being rented out on Short-Term Rental (STR) platforms. The evidence of STRs' impact on housing affordability and access is mixed, but the perception remains a significant concern in many communities. In Colorado, some communities have voted to redirect tourism-related taxes away from destination marketing to [community issues such as workforce or housing](#) (xiv).

Communities such as Breckenridge have effective public and/or private sector initiatives that invest in both affordable housing solutions and child care for workers. See the case study on Breckenridge.



Figure 6 Breckenridge is a mountain community where both private and public sectors are actively investing in affordable housing and child care solutions

The separate section of Time for DMOcracy looks at Short-Term Rentals, including its management and impact on communities (xiv)

What To Do

9 PRACTICAL RECOMMENDATIONS AND ACTIONS

1. Monitor, research and understand workforce and staffing issues in your industry and community
2. Monitor, research and understand workforce and staffing issues in your industry and community
3. Promote and support recruitment efforts, including marketing job vacancies and hosting job fairs
4. Be an advocate for the tourism and hospitality industry. Work with partners to promote career benefits and opportunities
5. Invest in high-value tourism that is operational year-round and resilient
6. Support competitive wages, working conditions and advancement opportunities
7. Help build high-quality tourism careers
8. Facilitate affordable and accessible housing and childcare for workers
9. Strengthen the coordination between public and private organizations to make long-term investments in the workforce

1. Monitor, research and understand workforce and staffing issues in your industry

This should encompass both informal consultation and more formal mechanisms such as surveying industry partners. Include perceptions of tourism and hospitality and careers in your resident sentiment research.

2. Engage with high schools and tertiary institutions to develop educational opportunities in the tourism and hospitality industry.

Collaborate with high schools, community colleges and universities—enlist contributing guest speakers, provide input on curriculum and class projects, or create internship opportunities that offer students real-world insights and experience.

This input can be local and informal or more formal at a state, provincial or national level. [Tourism HR Canada](#) has a range of educational programs with partners such as Skills Canada, support for curriculum development and [online training through emerit.ca](#) (xv) to develop quality tourism and hospitality education across Canada. Employers are also important partners; for example, Disneyland recently invested another \$1 million in community workforce development (xvi) to expand the private and public initiatives in Orange County, California—also see recommendation four.



Figure 7 [Emerit.ca](#) from [Tourism HR Canada](#) provides online training courses, as well as support and guides, to help education partners develop their own curriculum in tourism and hospitality.

3. Promote and support recruitment efforts, including marketing job vacancies

Highlight job vacancies to your community and more broadly, and lead or support recruitment initiatives such as job fairs. An increasing number of DMOs are investing in these types of workforce marketing initiatives, including career fairs supported by the Greater Boston Convention & Visitors Bureau, the Hospitality Works initiative from the Nashville Convention & Visitors Corp, job fairs and opportunities promoted by New Orleans & Company, and an innovative workforce lead generation program with five DMOs in the province from Travel Alberta (see right).



Figure 8 See the case study on Travel Alberta's Workforce Lead Generation Program.

When developing these initiatives, ensure efforts reach diverse communities and consider reaching out to marginalized groups such as those looking to rebuild their lives after serving prison time. For example, DV8 Kitchen's [second-chance employment opportunities and employment workshops in Lexington, Kentucky](#) which helps and employs people recovering from substance abuse.



Figure 9 New Orleans & Company invests in both promoting job listings in their industry and running a job fair.

4. Be an advocate for the tourism and hospitality industry. Work with partners to promote career benefits and opportunities

Tourism has a public relations problem or an “image liability” in many communities. Work with your partners to highlight opportunities in the sector and what actions you’re taking to make tourism and hospitality a more attractive career option. New Zealand’s Go with Tourism initiative and the visitor bureaus of Orange County’s collaboration on the Orange County Tourism Workforce Initiative provide examples of public–private sector initiatives in action. DMOs should also support organizations such as U.S. Travel Association or Tourism HR Canada on their efforts to improve visa delays for overseas workers.



Figure 10 In Orange County the DMOs collaborated on a promotion and engagement program (#OCTourismCareers) to promote tourism and hospitality jobs.

High quality jobs are driven by high quality tourism

5. Invest in high-value tourism that is operational year-round and resilient

High-quality jobs are driven by high-quality tourism. Invest in destination marketing and management initiatives that support high-quality tourism jobs—with a focus on high-value markets and building year-round tourism. Initiatives should aim to smooth out peaks and troughs in visitation to help create more predictable jobs. Marketing can help but more structural changes are needed to truly address seasonality. This can include product development such as Travel Oregon's Tourism Experience Studio (see right), plus shifting visitor taxes to outcome-based pricing—varying taxes to incentivize off-season travel.

For example, Croatia has designed its tourism taxes to incentivize travel during different seasons and to different areas of the country. Croatia's outcome-based pricing model is amongst the most sophisticated in the world with options for 16 taxation rates based on the varying levels of visitor flows across four seasons (Early, High, Low and Late) and four destination types based on their popularity (A, B, C and D). For example, Dubrovnik, among the most popular destinations in Croatia, is classified as a Category A destination. This allows cities and areas in the country to have a targeted tax rate that sends clear signals to the market on when and when not to travel (xvii).

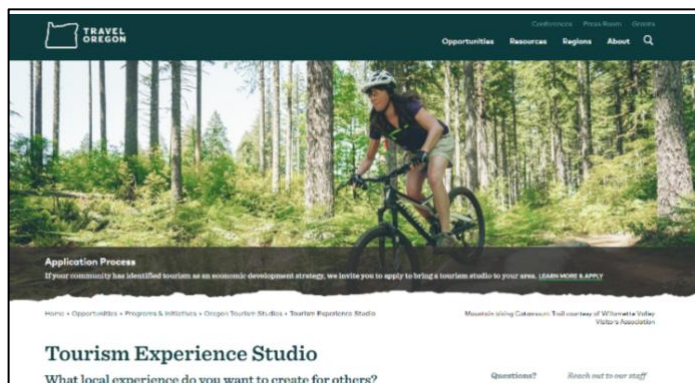


Figure 11 Travel Oregon has worked for more than 15 years in destination management including running a range of [Tourism Studios](#), focused on developed dispersed, year round tourism.

SEASON				
	Early	High	Low	Late
C	3,50 kn	5,00 kn	2,50 kn	3,50 kn
D	2,40 kn	4,00 kn	2,00 kn	2,40 kn

Figure 12 Croatia has 16 categories of visitor taxes that help address seasonality by sending clear pricing signals on when, and when not, to visit.

6. Support competitive wages, working conditions and advancement opportunities

Support and advocate for competitive wages and working conditions, including a living wage and broader benefits. For example, encourage employers to investigate and offer healthcare, work from home options (where feasible) and benefits that celebrate travel. Such benefits could include job swaps with tourism businesses in different locations. Enhancing wages and benefits may mean tourism businesses will need to raise their rates and prices to reflect higher wages and other costs.

However, for most destinations, offering timely service with adequate, motivated staff is vastly preferable to the impacts of staff shortages on visitor experiences and word-of-mouth (xviii).

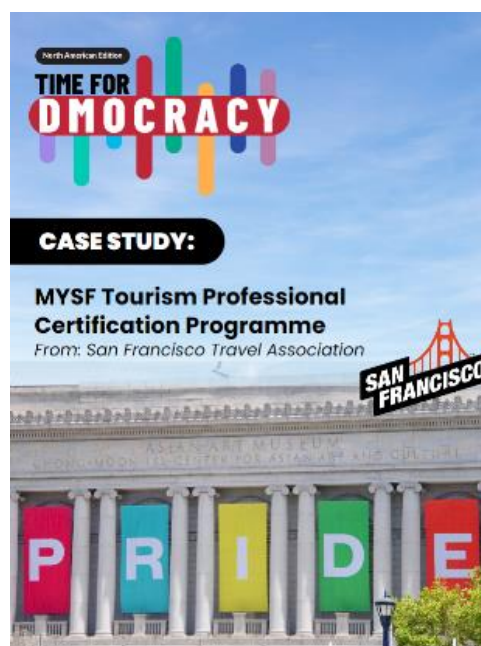


Figure 13 "Enable decent work and provide competitive employee benefits," was one of four key recommendations on addressing Staff Shortages by the World Travel and Tourism Council (August 2022).

7. Help build high-quality tourism careers

Work with educational institutions to support career development. Initiatives can include continuing education and new skills development (e.g., in technology), scholarship programs, and recognition and rewards for outstanding tourism and hospitality staff. Creating high-quality tourism careers will also require the thoughtful implementation of labor-saving methods and technologies to reduce the need for low-value staff positions. Examples of these methods include giving guests options on how often their room is serviced and providing self-service digital solutions for routine information or check-in (xix).

Figure 14 The [MYSF Tourism Professional Certification](#) is an example of many similar initiatives from DMOs – a training program to educate tourism and hospitality workers on their destination.



8. Facilitate affordable and accessible housing and childcare for workers

Workers rely on a place to live and the availability of essential services such as childcare. DMOs and the tourism industry needs to be involved in supporting and facilitating these community services rather than leaving it for other agencies (xx). Support and invest in programs that improve the availability and affordability of housing and childcare in your community for tourism and hospitality workers. Look at examples such as Breckenridge where the Breckenridge Tourism Office, town government and private sector employers, such as [Breckenridge Grand Vacations](#), collaborate to address affordable housing, child care and other benefits that make the town an attractive place to work.

9. Strengthen the coordination between public and private organizations to make long-term investments in the workforce

Engage with industry associations and government agencies that are building a tourism and hospitality workforce. Look at opportunities for both informal and formal collaboration and the identify agencies that can help the process. This could include an industry association in your city, state or province. In Canada, [Tourism HR Canada](#) is a global best practice example of a public–private sector organization focused on workforce and staffing issues. The organization has a [wide range of partnerships and programs](#) that provide good examples of such collaboration.

Resources to Use

IMPORTANT RESEARCH, ANALYSIS & OTHER RESOURCES

Highlighted Resources:

1. [Learning Lab 3: Workforce Engagement](#) – featuring Roger Dow (US Travel), Philip Mondor (Tourism HR Canada), Greg DeShields (Tourism Diversity Matters) & Nejc Jus (WTTC)
2. [Staff Shortages](#), World Travel and Tourism Council (WTTC), August 2022
3. Tourism HR Canada’s [Research and Resources](#) including their 10-Point Workforce Recovery Plan
4. US Travel Research & Resources [on Workforce](#) including the [State of American Workforce & Its Impact on Travel](#) and [America’s Unsung Hero of Job Creation](#)
5. Case Study: [Attracting Workforce Campaigns – Scotland, Ireland, Queensland \(Australia\)](#) and Alberta (see below)
6. [Go with Tourism Career Portal](#), New Zealand Private – Public Program
7. Case Study: [Travel Alberta – Workforce Lead Generation Program](#)
8. Case Study: Los Angeles – Workforce Development Work, Tackling Homelessness
9. Case Study: [San Francisco Travel Association – MYSF Tourism Professional Certification Program](#)
10. Talent Wars – [What People Look for in Jobs & Locations](#), DCI, July 2022

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- i. US Travel Data on [Workforce Challenges](#)
- ii. Statistics Canada: [Labour Shortage Trends in Canada](#)
- iii. OECD Data on [Working Age Population](#)
- iv. World Travel & Tourism Council, [Staff Shortages Report](#), August 2022
- v. [State of the American Workforce & Its Impacts on Travel](#), US Travel, December 2021 and [U.S. Bureau of Labor Statistics](#), August 2022
- vi. How Amazon Unsettles Labor Markets – [Wall St Journal, Jan 3 2022](#)
- vii. Talent Wars – What People Look for in Jobs & Locations, DCI, 2022
- viii. World Travel & Tourism Council, [Staff Shortages Report](#), August 2022.
- ix. Ibid
- x. Ibid
- xi. [Time for DMOCRACY survey of North American DMOs](#), Destination Analysts, August 2022
- xii. [Community Awareness Resident Sentiment Towards Tourism](#), Longwoods International, October 27th, 2022
- xiii. [HR Tourism Canada's Myths & Facts](#) and [Time for DMOCRACY survey of North American DMOs](#), Destination Analysts, August 2022
- xiv. Short Term Rentals section of Time for DMOCRACY final report, Miles Partnership January 2023
- xv. [HR Tourism Canada Educator Tools](#)
- xvi. [Disneyland Resort Puts Another \\$1million in Community Workforce Development – Anaheim News, June 2022](#) and [#OCTourismCareers – example from Costa Mesa, CA](#)
- xvii. [The importance of Word of Mouth on destination and travel decisions has been tracked by the State of the American Traveler research by Destination Analysts – sponsored by Miles Partnership](#)
- xviii. More information & detailed references on Croatia's Tourism Taxes: [Tourism Taxation by Design](#), Group Nao, 2020, Page 31
- xix. [How Hoteliers can Solve Labor Shortages Through Technology](#), Hospitalitynet, 2021 and [Can Technology Help Hospitality Labor Shortages](#), Phocuswire, 2021
- xx. [Colorado Communities Passed Ballot Measures to Shift Tourism Marketing Dollars to Communities](#), Skift Nov 14th. 2022

Other Resources:

[Case Study: Attracting Workforce Campaigns – Scotland, Ireland, Queensland \(Australia\)](#), Miles Partnership, September 2022

[Case Study: Travel Alberta – Workforce Lead Generation](#), Miles Partnership & Travel Alberta, October 2022

[Time for DMOCRACY: Workforce Engagement](#) – featuring Roger Dow (US Travel), Philip Mondor (Tourism HR Canada), Greg DeShields (Tourism Diversity Matters), Nejc Jus (WTTC), Miles Partnership, World Travel & Tourism Council, US Travel Association, Tourism Diversity Matters

Time for DMOCRACY, [Featured Research: Identifying a Community Capital Investment Portfolio to Sustain a Tourism Workforce](#), Miles Partnership, September 2022

[Time for DMOCRACY survey of North American DMOs](#), Destination Analysts, August 2022

Time for DMOCRACY, [Featured Research: Staff Shortages](#), Miles Partnership, September 2022

Time for DMOCRACY, [Featured Research: Travel & Tourism in the American Workforce](#), Miles Partnership, September 2022

[Case Study: MYSF Tourism Professional Certification Programme](#), Miles Partnership, San Francisco Travel Association, September 2022

[Travel & Tourism in the American Workforce: A Look at Perceptions & Motivations](#), Destination Analysts

[Staff Shortages](#), World Travel & Tourism Council, December 2021

[10-Point Workforce Recovery Plan](#), Tourism HR Canada

[State of the American Workforce and its Impact on Travel](#), U.S. Travel Association, December 2021

[Cleveland's Community Approach to The Workforce Crisis](#), Destinations International

[Identifying a Community Capital Investment Portfolio to Sustain a Tourism Workforce](#), Knollenberg, Brune, Harrison, & Savage, Journal of Sustainable Tourism, 2021

[Travel: America's Unsung Hero of Job Creation](#), U.S. Travel Association, 2017

[Travel: America's Unsung Hero of Job Creation Toolkit](#), U.S. Travel Association, 2017

[Top Ten Things Tourism Employees Like About Their Jobs](#), Tourism HR Canada

[Travel & Tourism: Generating Jobs for Youth](#), World Travel & Tourism Council, 2019

[Guide to Assessing and Designing Tourism Workforce Development Programs: With a Special Focus on Job and Career Opportunities for Youth](#), USAID, 2010

[Queensland Tourism Workforce Plan 2017–20](#), Jobs Queensland, July 2017

[Developing the Tourism Workforce of the Future in the APEC Region](#), APEC Tourism Working Group, February 2017

[Tourism and Hospitality Staff Induction Toolkit](#), Skills Development Scotland, May 2022

[Avoiding the Hospitality Workforce Bubble: Strategies to Attract and Retain Generation Z Talent in the Hospitality Workforce](#), Goh & Okumus, Tourism Management Perspectives, 2020